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Programme budget for the biennium 2000-2001

Outline of the proposed programme budget for the biennium 2002-2003 for the International Trade Centre UNCTAD/WTO

Eleventh report of the Advisory Committee for Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/55/797), which sets out the budget outline of the International Trade Centre UNCTAD/WTO for the biennium 2002-2003. During its consideration of the report, the Committee met with representatives of the Secretary-General at Headquarters and exchanged views with the representatives of the Centre in Geneva, through videoconferencing.

2. The Committee notes that the budget outline has been presented in accordance with the procedure and administrative arrangements recommended by it in paragraph 11 of its report (A/53/7/Add.3) and endorsed by the General Assembly in its decision 53/411 B. The arrangements called for the submission to the General Assembly, through the Committee, of a budget outline for the first year of activities for the coming biennium, with a projection of requirements for the second year, and simultaneous submission to the Committee on Budget, Finance and Administration of the World Trade Organization (WTO) for its approval in May of the year preceding the forthcoming United Nations financial period. The requirements would be presented in Swiss francs in order to conform to the WTO budget process.

3. The Committee notes in paragraphs 6 and 7 of the report that the requirements of the International Trade Centre (ITC) are estimated at SwF 30,221,800 for 2002, and the preliminary estimate for 2003 is SwF 30,322,800. As indicated in paragraph 5 of the report, the proposed outline "represents an increase of 3.7 per cent in real terms", mostly resulting from the decision to fund an annual meeting of the Executive Forum and to strengthen the in-house expertise of ITC electronic trade, which as indicated therein "is becoming an increasingly critical factor in any export development strategy".

4. The Committee further notes that the Executive Forum initiative was launched in 1999, on a trial basis, with a view to strengthening the capacity of developing countries and countries with economies in transition to formulate and manage national export strategies. Two meetings have taken place to date, funded by the Government of Switzerland, and a third one, also to be funded by Switzerland, is to take place in September 2001. The Committee was informed that, in view of its success, the current view of ITC is that the Executive Forum should not be sustained without regular budget resources, despite indications that multi-year extrabudgetary resources will be available. The Committee notes that this activity is within the purview

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of the implementation of subprogramme 6 of programme 9 (Trade and development) of the medium-term plan for the period 2002-2005 by the International Trade Centre.

5. The Committee was further informed that regular budget resources would be used in the preparation of the substantive elements related to the Forum, while extrabudgetary funds would continue to be used to fund the travel of participants from least developed countries and to ensure dissemination of the experience at the national level.

6. The Committee recalls that the detailed proposed programme budget of ITC for the biennium 2002-2003 will be submitted to the General Assembly and the General Council of WTO in the autumn of 2001 on the basis of the decisions taken on the outline by the General Assembly and the WTO Committee on Budget, Finance and Administration, as set out by the General Assembly in its decision 53/411. The Committee requests that information be provided in that context on experience in applying the revised administrative arrangements. The Committee, however, may make further comments or recommendations at the time of its consideration of section 11B (International Trade Centre UNCTAD/WTO) of the proposed programme budget for the biennium 2002-2003. In these circumstances, the Committee recommends approval of the budget outline for ITC.